Fiscal Estimate - 2009 Session

Original Updated	Corrected Supple	emental						
LRB Number 09-1962/1	Introduction Number SB-165)						
Description Changing the type of income that may be used to calculate the married persons tax credit								
Fiscal Effect								
Appropriations Reve	ease Existing enues Tease Existing enues To absorb within agence Enues To absorb within agence wit							
No Local Government Costs Indeterminate 1. Increase Costs Permissive Mandatory 2. Decrease Costs Permissive Mandatory Permissive Mandatory Permissive Mandatory Permissive Mandatory Decrease Revenue Permissive Mandatory Districts Districts								
Fund Sources Affected Affected Ch. 20 Appropriations GPR FED PRO PRS SEG SEGS								
Agency/Prepared By	Authorized Signature	Date						
DOR/ Bradley Caruth (608) 261-8984 Rebecca Boldt (608) 266-6785								

Fiscal Estimate Narratives DOR 4/28/2009

LRB Number 09-1962/1	Introduction Number	SB-165	Estimate Type	Original			
Description							
Changing the type of income that may be used to calculate the married persons tax credit							

Assumptions Used in Arriving at Fiscal Estimate

Current Wisconsin law allows married dual earner couples to claim a married couple credit equal to 3% of the lower earning spouse's earned income. The maximum amount of the credit is \$480 and the credit is nonrefundable. This bill allows married couples to also include qualified retirement plan income and individual retirement account income in the calculation of their married couple credits.

Based on a simulation using the Department of Revenue income tax model, the bill is expected to reduce revenue by \$20.0 million annually beginning in fiscal year 2010.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2009 Session

Detailed Estimate of Annual Fiscal Effect

X	Original		Updated			Corrected		Suppl	emental
LRB	Number	09-1962	'1		Intro	duction N	umber	SB-16	55
Descri Chang		of income tha	t may be use	ed to	calculate	e the married	l persons t	ax credit	
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):									
II. Annualized Costs:				Annualized Fiscal Impact on funds from:					
						Increased C	osts	Decre	ased Costs
	te Costs by								Nonemarkalangetur ing umang transportur and side
		- Salaries an	d Fringes		description descriptions		\$		\$
	Position Ch								
		- Other Costs							
	al Assistance								
		s or Organiza							
		Costs by Cat					\$		\$
		Source of Fu	nds						
GPR				_					
FED									
)/PRS								
SEG	S/SEG-S	TO THE RESERVE AND A STATE OF THE STATE OF T						N	
	III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, ets.)								
						Increased	Rev		reased Rev
	? Taxes		resentations of the second		·		\$	\$-	20,000,000
GPR	Earned								
FED									
)/PRS								
	S/SEG-S								
TO	OTAL State I						\$	\$-	20,000,000
Control of the state of the sta		1	NET ANNUA	LIZE	D FISC				
						<u>S</u>	<u>tate</u>		<u>Local</u>
NET CHANGE IN COSTS					\$	\$			
NET C	HANGE IN R	REVENUE	c hay da an u Raigh an laidh an da an hail se an laidh an an laidh an an laidh an laidh an an laidh an an laid			\$-20,000,	000		\$
						Data			
Agency/Prepared By		Auti	ıthorized Signature			Date			
DOR/ Bradley Caruth (608) 261-8984 Re			Reb	ebecca Boldt (608) 266-6785			4/28/2009		